

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**Current Report**

**Pursuant to Section 13 or 15(d) of the Securities  
Exchange Act of 1934**

December 2, 2019

Date of Report (Date of earliest event reported)

**Pitney Bowes Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**1-3579**

(Commission file number)

**06-0495050**

(I.R.S. Employer Identification No.)

Address: **3001 Summer Street, Stamford, Connecticut 06926**  
Telephone Number: **(203) 356-5000**

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class                   | Trading Symbol(s) | Name of Each Exchange on Which Registered |
|---------------------------------------|-------------------|---|
| Common Stock, \$1 par value per share | PBI               | New York Stock Exchange                   |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Securities Act.

## **ITEM 2.01 COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS.**

On December 2, 2019, Pitney Bowes Inc. (the Company) completed the previously announced sale of its Software Solutions business (the Business), with the exception of one non-U.S. jurisdiction, to Starfish Parent, LP (the Purchaser), an affiliate of Syncsort Incorporated, pursuant to the Stock and Asset Purchase Agreement, dated as of August 23, 2019, between the Company and the Purchaser. The sale of the one non-U.S. jurisdiction is expected to close in the first quarter of 2020, subject to regulatory approval.

Cash proceeds from the transaction, net of working capital and other adjustments, received at the closing were approximately \$700 million. Net proceeds from the sale, after closing costs, transaction fees and taxes will primarily be used to pay down debt.

On December 2, 2019, the Company issued a press release announcing the sale of the Business. A copy of the press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

## **ITEM 7.01 REGULATION FD DISCLOSURE**

The historical operations of Software Solutions were reclassified as discontinued operations. Certain unaudited financial information reflecting Software Solutions as a discontinued operation can be found at the Company's web site at [www.pb.com/investorrelations](http://www.pb.com/investorrelations) under Financial Reporting.

## **ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

(b) Pro forma financial information.

The Company's unaudited pro forma consolidated financial information giving effect to the sale of the Business is attached hereto as Exhibit 99.1 and incorporated herein by reference.

(d) Exhibits

### **EXHIBIT INDEX**

Exhibit No.    Exhibit Description

99.1            [Unaudited pro forma consolidated financial information of Pitney Bowes Inc.](#)

99.2            [Pitney Bowes Inc. press release dated December 2, 2019](#)

104            The cover page of Pitney Bowes Inc.'s Current Report on Form 8-K, formatted in Inline XBRL (included as Exhibit 101).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Pitney Bowes Inc.

By: /s/ Joseph R. Catapano

Name: Joseph R. Catapano

Title: Vice President, Chief Accounting Officer (Principal Accounting Officer)

Date: December 3, 2019

## UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

**Overview**

On August 23, 2019, Pitney Bowes Inc. (the Company) entered into a Stock and Asset Purchase Agreement (the Purchase Agreement) with Starfish Parent, LP (the Purchaser), an affiliate of Syncsort Incorporated, pursuant to which the Company agreed to sell its Software Solutions business. On December 2, 2019 (the Closing Date), the Company completed the sale of its Software Solutions business (the Disposition) to the Purchaser. The historical operations of the Software Solutions business were presented as a discontinued operation in the Company's financial statements effective September 30, 2019.

**Unaudited Pro Forma Condensed Consolidated Financial Information**

The following unaudited pro forma condensed consolidated financial information (Pro Forma Information) has been derived from the Company's historical consolidated financial statements and reflects certain assumptions and adjustments that management believes are reasonable under the circumstances and given the information available at this time. The Pro Forma Information reflects adjustments that, in the opinion of management, are necessary to present fairly the pro forma financial position as of September 30, 2019 and results of operations for the nine months ended September 30, 2019 and years ended December 31, 2018, 2017 and 2016. The Pro Forma Information is provided for informational purposes only and is not intended to represent what the Company's financial position or results of operations would have been had the disposition occurred on September 30, 2019 for the unaudited pro forma condensed consolidated balance sheet and as of January 1, 2016 for the unaudited pro forma consolidated statements of income, nor is it indicative of its future financial position or results of operations. The Pro Forma Information should be read in conjunction with the Company's historical consolidated financial statements and accompanying notes.

The following is a brief description of the amounts reported under each of the column headings in the Pro Forma Information:

*Historical*

The historical consolidated balance sheet as of September 30, 2019 and the consolidated statement of income for the nine months ended September 30, 2019 were derived from the Company's unaudited condensed consolidated financial statements included in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2019. The historical consolidated statements of income for each of the years ended December 31, 2018, 2017 and 2016 were derived from the Company's audited consolidated financial statements included in its Annual Report on Form 10-K for the year ended December 31, 2018.

*Discontinued Operations*

This column represents the results of operations of the Software Solutions business in the Company's historical consolidated statements of income for the years ended December 31, 2018, 2017 and 2016.

*Continuing Operations*

This column represents the Company's results of operations excluding the results of operations of the Software Solutions business.

*Pro Forma Adjustments*

This column gives effect to the cash proceeds received from the Disposition, the payment of transaction costs and taxes, and the redemption of the Company's outstanding \$300 million Notes due September 2020 (September 2020 Notes).

The pro forma adjustments are based on available information and assumptions that management believes reasonably reflects the impact of the Disposition, are factually supportable, and for purposes of the pro forma consolidated statements of income, are expected to have a continuing impact on the Company. The pro forma adjustments do not reflect future events that may occur after the Disposition, including the realization of any cost savings. Additional information about the pro forma adjustments can be found in the Notes to Unaudited Pro Forma Consolidated Financial Information. There are no pro forma adjustments for the year ended December 31, 2016.

**Pitney Bowes Inc.**  
**Condensed Consolidated Balance Sheet**  
**As of September 30, 2019**  
**(Unaudited; in thousands, except share and per share amounts)**

|  | Historical   | Pro Forma<br>Adjustments | Pro Forma    |
|--|--------------|--------------------------|--------------|
| <b>ASSETS</b>  |              |                          |              |
| Current assets:  |              |                          |              |
| Cash and cash equivalents  | \$ 514,851   | \$ 313,629 (a)           | \$ 828,480   |
| Short-term investments   | 137,032      | —                        | 137,032      |
| Accounts and other receivables, net  | 365,522      | —                        | 365,522      |
| Short-term finance receivables, net  | 617,178      | —                        | 617,178      |
| Inventories  | 76,339       | —                        | 76,339       |
| Current income taxes   | 25,598       | —                        | 25,598       |
| Other current assets and prepayments   | 101,829      | —                        | 101,829      |
| Assets of discontinued operations  | 568,413      | (568,413) (b)            | —            |
| Total current assets   | 2,406,762    | (254,784)                | 2,151,978    |
| Property, plant and equipment, net   | 371,666      | —                        | 371,666      |
| Rental property and equipment, net   | 39,400       | —                        | 39,400       |
| Long-term finance receivables, net   | 616,746      | —                        | 616,746      |
| Goodwill   | 1,317,037    | —                        | 1,317,037    |
| Intangible assets, net   | 199,715      | —                        | 199,715      |
| Operating lease assets   | 172,617      | —                        | 172,617      |
| Noncurrent income taxes  | 80,561       | —                        | 80,561       |
| Other assets   | 392,720      | —                        | 392,720      |
| Total assets   | \$ 5,597,224 | \$ (254,784)             | \$ 5,342,440 |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |              |                          |              |
| Current liabilities:   |              |                          |              |
| Accounts payable and accrued liabilities   | \$ 1,337,214 | \$ (10,466) (c)          | \$ 1,326,748 |
| Current operating lease liabilities  | 34,091       | —                        | 34,091       |
| Current portion of long-term debt  | 501,728      | (299,145) (d)            | 202,583      |
| Advance billings   | 106,968      | —                        | 106,968      |
| Current income taxes   | 8,525        | —                        | 8,525        |
| Liabilities of discontinued operations   | 157,034      | (157,034) (b)            | —            |
| Total current liabilities  | 2,145,560    | (466,645)                | 1,678,915    |
| Long-term debt   | 2,567,363    | —                        | 2,567,363    |
| Deferred taxes on income   | 253,151      | —                        | 253,151      |
| Tax uncertainties and other income tax liabilities                                     | 45,179       | —                        | 45,179       |
| Noncurrent operating lease liabilities   | 148,125      | —                        | 148,125      |
| Other noncurrent liabilities   | 412,434      | —                        | 412,434      |
| Total liabilities  | 5,571,812    | (466,645)                | 5,105,167    |
| Stockholders' equity:  |              |                          |              |
| Common stock, \$1 par value (480,000,000 shares authorized; 323,337,912 shares issued) | 323,338      | —                        | 323,338      |
| Additional paid-in capital   | 101,651      | —                        | 101,651      |
| Retained earnings  | 5,270,741    | 211,861 (e)              | 5,482,602    |
| Accumulated other comprehensive loss   | (926,452)    | —                        | (926,452)    |
| Treasury stock, at cost (153,182,446 shares)   | (4,743,866)  | —                        | (4,743,866)  |
| Total stockholders' equity   | 25,412       | 211,861                  | 237,273      |
| Total liabilities and stockholders' equity   | \$ 5,597,224 | \$ (254,784)             | \$ 5,342,440 |

**Pitney Bowes Inc.**  
**Condensed Consolidated Statement of Income**  
**For the Nine Months Ended September 30, 2019**  
**(Unaudited; in thousands, except per share amounts)**

|  | Historical       | Pro Forma<br>Adjustments | Pro Forma        |
|--|------------------|--------------------------|------------------|
| <b>Revenue:</b>  |                  |                          |                  |
| Equipment sales  | \$ 264,956       | \$ —                     | \$ 264,956       |
| Supplies   | 142,261          | —                        | 142,261          |
| Rentals  | 60,339           | —                        | 60,339           |
| Financing  | 280,039          | —                        | 280,039          |
| Support services   | 382,578          | —                        | 382,578          |
| Business services  | 1,243,609        | —                        | 1,243,609        |
| Total revenue  | <u>2,373,782</u> | <u>—</u>                 | <u>2,373,782</u> |
| <b>Costs and expenses:</b>                               |                  |                          |                  |
| Cost of equipment sales                                  | 182,094          | —                        | 182,094          |
| Cost of supplies   | 37,533           | —                        | 37,533           |
| Cost of rentals  | 23,223           | —                        | 23,223           |
| Financing interest expense                               | 33,433           | —                        | 33,433           |
| Cost of support services                                 | 123,453          | —                        | 123,453          |
| Cost of business services                                | 1,003,483        | —                        | 1,003,483        |
| Selling, general and administrative                      | 757,228          | —                        | 757,228          |
| Research and development                                 | 38,421           | —                        | 38,421           |
| Restructuring charges and asset impairments, net         | 56,616           | —                        | 56,616           |
| Interest expense, net                                    | 84,325           | (9,440) (f)              | 74,885           |
| Other components of net pension and post retirement cost | (3,138)          | —                        | (3,138)          |
| Other expense  | 18,350           | —                        | 18,350           |
| Total costs and expenses                                 | <u>2,355,021</u> | <u>(9,440)</u>           | <u>2,345,581</u> |
| Income before income taxes                               | 18,761           | 9,440                    | 28,201           |
| (Benefit) provision for income taxes                     | (13,351)         | 2,407 (g)                | (10,944)         |
| Net income   | <u>\$ 32,112</u> | <u>\$ 7,033</u>          | <u>\$ 39,145</u> |
| <b>Earnings per share:</b>                               |                  |                          |                  |
| Basic  | \$ 0.18          |                          | \$ 0.22          |
| Diluted  | \$ 0.18          |                          | \$ 0.22          |
| <b>Weighted average number of shares outstanding:</b>    |                  |                          |                  |
| Basic  | 178,048          |                          | 178,048          |
| Diluted  | 179,096          |                          | 179,096          |

**Pitney Bowes Inc.**  
**Condensed Consolidated Statement of Income**  
**For the Year Ended December 31, 2018**  
**(In thousands, except per share amounts)**

|   | Historical        | Discontinued<br>Operations | Continuing<br>Operations | Pro Forma<br>Adjustments | Pro Forma         |
|---|-------------------|----------------------------|--------------------------|--------------------------|-------------------|
| <b>Revenue:</b>   |                   |                            |                          |                          |                   |
| Equipment sales   | \$ 430,451        | \$ —                       | \$ 430,451               | \$ —                     | \$ 430,451        |
| Supplies  | 218,304           | —                          | 218,304                  | —                        | 218,304           |
| Software  | 340,855           | 340,855                    | —                        | —                        | —                 |
| Rentals   | 363,057           | —                          | 363,057                  | —                        | 363,057           |
| Financing   | 314,778           | —                          | 314,778                  | —                        | 314,778           |
| Support services  | 293,413           | —                          | 293,413                  | —                        | 293,413           |
| Business services                                       | 1,561,522         | —                          | 1,561,522                | —                        | 1,561,522         |
| Total revenue   | <u>3,522,380</u>  | <u>340,855</u>             | <u>3,181,525</u>         | <u>—</u>                 | <u>3,181,525</u>  |
| <b>Costs and expenses:</b>                              |                   |                            |                          |                          |                   |
| Cost of equipment sales                                 | 181,766           | —                          | 181,766                  | —                        | 181,766           |
| Cost of supplies  | 60,960            | —                          | 60,960                   | —                        | 60,960            |
| Cost of software  | 100,681           | 100,681                    | —                        | —                        | —                 |
| Cost of rentals   | 86,330            | —                          | 86,330                   | —                        | 86,330            |
| Financing interest expense                              | 48,857            | —                          | 48,857                   | —                        | 48,857            |
| Cost of support services                                | 168,271           | —                          | 168,271                  | —                        | 168,271           |
| Cost of business services                               | 1,246,084         | —                          | 1,246,084                | —                        | 1,246,084         |
| Selling, general and administrative                     | 1,123,116         | 150,649                    | 972,467                  | —                        | 972,467           |
| Research and development                                | 125,588           | 39,235                     | 86,353                   | —                        | 86,353            |
| Restructuring charges and asset impairments, net        | 27,077            | 704                        | 26,373                   | —                        | 26,373            |
| Interest expense, net                                   | 110,900           | —                          | 110,900                  | (11,979) (f)             | 98,921            |
| Other components of net pension and postretirement cost | 22,425            | —                          | 22,425                   | —                        | 22,425            |
| Other expense   | 7,964             | —                          | 7,964                    | —                        | 7,964             |
| Total costs and expenses                                | <u>3,310,019</u>  | <u>291,269</u>             | <u>3,018,750</u>         | <u>(11,979)</u>          | <u>3,006,771</u>  |
| Income before income taxes                              | 212,361           | 49,586                     | 162,775                  | 11,979                   | 174,754           |
| Provision (benefit) for income taxes                    | 12,383            | 13,167                     | (784)                    | 3,031 (g)                | 2,247             |
| Net income  | <u>\$ 199,978</u> | <u>\$ 36,419</u>           | <u>\$ 163,559</u>        | <u>\$ 8,948</u>          | <u>\$ 172,507</u> |
| <b>Earnings per share:</b>                              |                   |                            |                          |                          |                   |
| Basic   | \$ 1.07           |                            |                          |                          | \$ 0.92           |
| Diluted   | \$ 1.06           |                            |                          |                          | \$ 0.92           |
| <b>Weighted average number of shares outstanding:</b>   |                   |                            |                          |                          |                   |
| Basic   | 187,277           |                            |                          |                          | 187,277           |
| Diluted   | 188,382           |                            |                          |                          | 188,382           |

**Pitney Bowes Inc.**  
**Condensed Consolidated Statement of Income**  
**For the Year Ended December 31, 2017**  
**(In thousands, except per share amounts)**

|  | Historical        | Discontinued<br>Operations | Continuing<br>Operations | Pro Forma<br>Adjustments | Pro Forma         |
|--|-------------------|----------------------------|--------------------------|--------------------------|-------------------|
| <b>Revenue:</b>  |                   |                            |                          |                          |                   |
| Equipment sales  | \$ 476,691        | \$ —                       | \$ 476,691               | \$ —                     | \$ 476,691        |
| Supplies   | 231,412           | —                          | 231,412                  | —                        | 231,412           |
| Software   | 331,843           | 331,843                    | —                        | —                        | —                 |
| Rentals  | 384,123           | —                          | 384,123                  | —                        | 384,123           |
| Financing  | 330,985           | —                          | 330,985                  | —                        | 330,985           |
| Support services   | 299,792           | —                          | 299,792                  | —                        | 299,792           |
| Business services  | 1,068,426         | —                          | 1,068,426                | —                        | 1,068,426         |
| Total revenue  | <u>3,123,272</u>  | <u>331,843</u>             | <u>2,791,429</u>         | <u>—</u>                 | <u>2,791,429</u>  |
| <b>Costs and expenses:</b>                               |                   |                            |                          |                          |                   |
| Cost of equipment sales                                  | 201,116           | —                          | 201,116                  | —                        | 201,116           |
| Cost of supplies   | 66,302            | —                          | 66,302                   | —                        | 66,302            |
| Cost of software   | 95,033            | 95,033                     | —                        | —                        | —                 |
| Cost of rentals  | 82,703            | —                          | 82,703                   | —                        | 82,703            |
| Financing interest expense                               | 50,665            | —                          | 50,665                   | —                        | 50,665            |
| Cost of support services                                 | 163,889           | —                          | 163,889                  | —                        | 163,889           |
| Cost of business services                                | 773,052           | —                          | 773,052                  | —                        | 773,052           |
| Selling, general and administrative                      | 1,170,905         | 149,890                    | 1,021,015                | —                        | 1,021,015         |
| Research and development                                 | 118,703           | 41,163                     | 77,540                   | —                        | 77,540            |
| Restructuring charges and asset impairments, net         | 56,223            | 11,374                     | 44,849                   | —                        | 44,849            |
| Interest expense, net                                    | 113,497           | —                          | 113,497                  | (3,472) (f)              | 110,025           |
| Other components of net pension and post retirement cost | 5,413             | —                          | 5,413                    | —                        | 5,413             |
| Other expense  | 3,856             | —                          | 3,856                    | —                        | 3,856             |
| Total costs and expenses                                 | <u>2,901,357</u>  | <u>297,460</u>             | <u>2,603,897</u>         | <u>(3,472)</u>           | <u>2,600,425</u>  |
| Income before income taxes                               | 221,915           | 34,383                     | 187,532                  | 3,472                    | 191,004           |
| Provision (benefit) for income taxes                     | 553               | 10,870                     | (10,317)                 | 1,340 (g)                | (8,977)           |
| Net income   | <u>\$ 221,362</u> | <u>\$ 23,513</u>           | <u>\$ 197,849</u>        | <u>\$ 2,132</u>          | <u>\$ 199,981</u> |
| <b>Earnings per share:</b>                               |                   |                            |                          |                          |                   |
| Basic  | \$ 1.19           |                            |                          |                          | \$ 1.07           |
| Diluted  | \$ 1.18           |                            |                          |                          | \$ 1.07           |
| <b>Weighted average number of shares outstanding:</b>    |                   |                            |                          |                          |                   |
| Basic  | 186,332           |                            |                          |                          | 186,332           |
| Diluted  | 187,435           |                            |                          |                          | 187,435           |



**Pitney Bowes Inc.**  
**Condensed Consolidated Statement of Income**  
**For the Year Ended December 31, 2016**  
(In thousands, except per share amounts)

|  | Historical       | Discontinued<br>Operations | Continuing<br>Operations | Pro Forma<br>Adjustments | Pro Forma         |
|--|------------------|----------------------------|--------------------------|--------------------------|-------------------|
| <b>Revenue:</b>  |                  |                            |                          |                          |                   |
| Equipment sales  | \$ 480,031       | \$ —                       | \$ 480,031               | \$ —                     | \$ 480,031        |
| Supplies   | 241,950          | —                          | 241,950                  | —                        | 241,950           |
| Software   | 325,577          | 325,577                    | —                        | —                        | —                 |
| Rentals  | 410,241          | —                          | 410,241                  | —                        | 410,241           |
| Financing  | 366,424          | —                          | 366,424                  | —                        | 366,424           |
| Support services   | 329,424          | —                          | 329,424                  | —                        | 329,424           |
| Business services  | 827,676          | —                          | 827,676                  | —                        | 827,676           |
| Total revenue  | <u>2,981,323</u> | <u>325,577</u>             | <u>2,655,746</u>         | <u>—</u>                 | <u>2,655,746</u>  |
| <b>Costs and expenses:</b>   |                  |                            |                          |                          |                   |
| Cost of equipment sales  | 203,220          | —                          | 203,220                  | —                        | 203,220           |
| Cost of supplies   | 65,509           | —                          | 65,509                   | —                        | 65,509            |
| Cost of software   | 96,151           | 96,151                     | —                        | —                        | —                 |
| Cost of rentals  | 74,457           | —                          | 74,457                   | —                        | 74,457            |
| Financing interest expense   | 55,241           | —                          | 55,241                   | —                        | 55,241            |
| Cost of support services   | 166,247          | —                          | 166,247                  | —                        | 166,247           |
| Cost of business services  | 568,509          | —                          | 568,509                  | —                        | 568,509           |
| Selling, general and administrative  | 1,140,100        | 160,563                    | 979,537                  | —                        | 979,537           |
| Research and development   | 107,378          | 40,208                     | 67,170                   | —                        | 67,170            |
| Restructuring charges and asset impairments, net   | 60,295           | 13,347                     | 46,948                   | —                        | 46,948            |
| Goodwill impairment  | 148,181          | 148,181                    | —                        | —                        | —                 |
| Interest expense, net  | 88,970           | —                          | 88,970                   | —                        | 88,970            |
| Other components of net pension and post retirement cost                                 | 5,276            | —                          | 5,276                    | —                        | 5,276             |
| Total costs and expenses   | <u>2,779,534</u> | <u>458,450</u>             | <u>2,321,084</u>         | <u>—</u>                 | <u>2,321,084</u>  |
| Income (loss) before income taxes  | 201,789          | (132,873)                  | 334,662                  | —                        | 334,662           |
| Provision (benefit) for income taxes   | 106,975          | (2,184)                    | 109,159                  | —                        | 109,159           |
| Net income (loss)  | 94,814           | (130,689)                  | 225,503                  | —                        | 225,503           |
| Less: Preferred stock dividends of subsidiaries attributable to noncontrolling interests | 19,045           | —                          | 19,045                   | —                        | 19,045            |
| Net income (loss) - Pitney Bowes Inc.  | <u>\$ 75,769</u> | <u>\$ (130,689)</u>        | <u>\$ 206,458</u>        | <u>\$ —</u>              | <u>\$ 206,458</u> |
| <b>Earnings (loss) per share:</b>  |                  |                            |                          |                          |                   |
| Basic  | \$ 0.40          |                            |                          |                          | \$ 1.10           |
| Diluted  | \$ 0.40          |                            |                          |                          | \$ 1.09           |
| <b>Weighted average number of shares outstanding:</b>                                    |                  |                            |                          |                          |                   |
| Basic  | 187,945          |                            |                          |                          | 187,945           |
| Diluted  | 188,975          |                            |                          |                          | 188,975           |

**Notes to Unaudited Pro Forma Condensed Consolidated Financial Information**

(a) The pro forma impact on cash and cash equivalents is as follows (amounts in millions):

|   |    |              |
|---|----|--------------|
| Cash proceeds from the Disposition      | \$ | 700.0        |
| Estimated tax payment                   |    | (63.7)       |
| Estimated transaction and closing costs |    | (13.8)       |
| Net cash proceeds from the Disposition  |    | <u>622.5</u> |
| Repayment of September 2020 Notes       |    | (308.9)      |
| Net impact on cash and cash equivalents | \$ | <u>313.6</u> |

(b) Represents the elimination of the historical assets and liabilities of Software Solutions from the Company's Condensed Consolidated Balance Sheet at September 30, 2019.

(c) Represents accrued transactions costs (\$10 million) and accrued interest on the September 2020 Notes (\$0.5 million) at September 30, 2019.

(d) Represents the carrying value of the September 2020 Notes at September 30, 2019, comprised of the face amount of \$300 million less \$0.9 million of unamortized discount.

(e) Represents the impact of the pro forma balance sheet adjustments discussed in (a) - (d) above.

(f) Represents the actual interest expense on the September 2020 Notes during the period.

(g) Represents the tax effect of the above adjustment applied at the statutory rate in effect for the period.

**Other**

The Company and the Purchaser entered into a Transition Services Agreement (TSA) whereby the Company will perform certain support functions for a period of three to nine months. Income and expenses related to the TSA have not been included as a pro forma adjustment as the TSA will not have a continuing impact on the Company's future results.

## **Pitney Bowes Completes Sale of Software Solutions Business to Syncsort**

**STAMFORD, Conn., Dec. 2, 2019** - Pitney Bowes (NYSE:PBI), a global technology company that provides commerce solutions in the areas of ecommerce, shipping, mailing, and financial services, today announced that the previously disclosed sale of its Software Solutions Business to Syncsort for \$700 million in cash has been completed, with the exception of its software and data business in Australia, which is expected to close in the first quarter of 2020, subject to regulatory approval.

Net proceeds from the sale, after closing costs, transaction fees and taxes will primarily be used to pay down debt. In the third and fourth quarter, the Company repaid term loans, secured a new Term Loan A and replaced its revolving credit facility.

The company first announced the sale of its Software Solutions Business to Syncsort in August 2019.

Goldman Sachs served as financial advisor to Pitney Bowes and Cravath, Swaine & Moore was the Company's legal advisor.

### **Recast Financial Statements**

The operations of the Software Solutions Business have been classified as a discontinued operation in the Company's third quarter 2019 Form 10-Q. Amounts for the prior periods were reclassified to conform to this presentation. Certain reclassified historical financial information reflecting the operations of the Software Solutions Business as a discontinued operations, can be found at the company's website at [www.pb.com/investorrelations](http://www.pb.com/investorrelations) under Financial Reporting.

### **About Pitney Bowes**

Pitney Bowes (NYSE:PBI) is a global technology company providing commerce solutions that power billions of transactions. Clients around the world, including 90 percent of the Fortune 500, rely on the accuracy and precision delivered by Pitney Bowes solutions, analytics, and APIs in the areas of ecommerce fulfillment, shipping and returns; cross-border ecommerce; office mailing and shipping; presort services; and financing. For nearly 100 years Pitney Bowes has been innovating and delivering technologies that remove the complexity of getting commerce transactions precisely right. For additional information visit Pitney Bowes, the Craftsmen of Commerce, at [www.pitneybowes.com](http://www.pitneybowes.com).

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